

July 29, 2003

JI

TO: Officials-in-Charge of Headquarters Offices

FROM: JI/Headquarters Quality Council Executive Secretary

SUBJECT: Headquarters Quality Council Meeting

The NASA Headquarters Quality Council met on May 14, 2003, from 10 a.m. to 12:30 p.m., in ACR-2. The list of attendees is included.

In accordance with the requirements of HQPC 1150.1, Headquarters Quality Council Charter, Michael Mann provided a presentation assessing the continuing suitability and effectiveness of the Headquarters Quality Management System (QMS). David Schurr, Richard Beck, Karl Stehmer, and Mr. Mann provided customer and product feedback. Copies of the presentations are located at <http://HQISO9000.hq.nasa.gov/project.htm>. The following key points were made:

1. The February/March 2003 internal QMS audit results indicated that NASA councils and boards processes effectively raise issues to the appropriate management level for resolution. No significant findings were identified.
2. The May 2003 external surveillance audit focused on whether the documented Headquarters QMS registered by the National Quality Assurance (NQA), USA remains intact and functioning. The audit resulted in five minor nonconformances and the carry-over of three observations from the November 2002 surveillance audit. Key findings of the audit include:
  - a. Excellent results were found in the Code F Human Capital area and the Code J Environmental/Energy Management Board, and good results were seen in the Code AE Engineering Management Board.
  - b. Unsatisfactory results found in seven other areas led to four of the five nonconformances. There was a general inability to demonstrate how data are used to measure process effectiveness and stimulate performance improvement.

Unsatisfactory results were found in the following seven areas:

- 1) Code AS/Science Council – processes were not defined and there was an inability to demonstrate the use of evaluation methods or data analysis.

- 2) Code S/NASA Management Office at the Jet Propulsion Laboratory – there was an inability to demonstrate performance measures.
  - 3) Code Y/Science Procurement – there was an inability to demonstrate performance measures.
  - 4) Code AE/Program Management Council – there was an inability to demonstrate data analysis to show effectiveness of the NASA Program and Project Management processes,
  - 5) Code H/Policy Implementation – there was an inability to demonstrate data analysis.
  - 6) Code J/Internal Control Council – there was an inability to demonstrate root cause analysis.
  - 7) Code J/ISO 9001 Program Office – there was an inability to demonstrate data analysis of Headquarters-wide review of council and board actions.
- c. One nonconformance was given in the area of QMS documentation for oversight and insight of property management, environment, and security.
3. Actions needed to close the nonconformances are to ensure that each organization cited understands the nature of the nonconformance, finds the root cause, and develops and implements a corrective plan. The scope of the nonconformances indicates the need for training in the process measurement, analysis, and improvement areas.
4. Customer feedback in the planning area has generally been good. The Office of Management and Budget's (OMB) and the Congress' initial responses to all new documentation has been neutral to positive, with no negative comments. The new Integrated Budget and Performance Document (IBPD) is a key step in meeting the Budget and Performance Integration objective of the President's Management Agenda (PMA). NASA is leading the Government in this area, and all Performance Plan milestones are currently scored green by OMB.

Future actions include rewriting the FY 2002 Performance Plan to improve measurability, automating the IBPD production with a new Web-based e-Budget tool, and continually improving the Performance Plan to pass the Performance and Assessment Rating Tool evaluation criteria.

5. In the area of budgeting, there has been mostly positive reaction from our customers and stakeholders. NASA is recognized as a leader in full-cost budgeting resulting in our PMA score advancing to yellow. Efforts are underway to increase customer satisfaction through the demonstrated use of full-cost management. New progress measures have been proposed to review compliance with full-cost and budget process.

6. The Office of Legislative Affairs (Code L) provided an overview of its role to (i) provide the NASA message to Congress; (ii) respond to Congress; (iii) facilitate the exchange of information between NASA and Congress; and (iv) ensure NASA progress in meeting its objectives with Congress. Feedback mechanisms and measurement tools were presented for an understanding of how Code L ensures timely and quality service to our congressional customers.
7. Enterprise customer and stakeholder interactions show that feedback processes are well established and successful. No major internal issues were identified that significantly affect the ability of the Enterprises to deliver to the customer.

Following the assessment of the Headquarters QMS, Jeffrey E. Sutton provided the status of the Agencywide Management Systems functional leadership activities. This was in support of the new NASA Policy Directive (NPD) 1280.1, NASA Management Systems Policy.

This policy establishes the minimum standards for NASA management systems, requires third-party validation, permits alternative approaches other than ISO 9001 certification with prior approval of the Deputy Administrator, and directs the Quality Council to advise the Deputy Administrator regarding management systems matters.

As a result of the new policy, the Ames Research Center (ARC) proposed an alternative approach for its management system, that was presented by Steven Zornetzer, Acting Deputy Center Director.

Mr. Zornetzer stated that the proposed ARC Management System, designed to meet the requirements of NPD 1280.1, adopts the best of the ISO 9001 experience; implements appropriate requirements for performance objectives, management accountability, value to the customer, validation, and continual improvement; and is consistent with the NASA Strategic Plan. ARC must await approval from the Deputy Administrator for full implementation.

The following actions were identified (due dates are in bold):

<u>Responsible Organization</u>	<u>Action</u>
<b>J1</b> /Acting Director, ISO 9001 Program Office and C/Director, Headquarters Operations	<ul style="list-style-type: none"> <li>Work with Code A and Code C to ensure that new Associate and Assistant Administrators are properly trained in the HQ Quality Management System. Due: <b>September 30, 2003</b></li> </ul>
<b>J1</b> /Acting Director, ISO 9001 Program Office	<ul style="list-style-type: none"> <li>Identify critical training needs related to process measurement, analysis, and improvement.</li> <li>Work with Code C to implement a comprehensive training program for the relevant HQ personnel. Due: <b>October 24, 2003</b></li> </ul>
<b>J1</b> /Acting Director, ISO 9001 Program Office	<ul style="list-style-type: none"> <li>Update the HQ Quality Management System manual to reflect changes in the new IBPD and current management structure. Due: <b>October 24, 2003</b></li> </ul>

The next meeting of the Headquarters Quality Council is scheduled for October 29, 2003, from 1 to 3 p.m., in ACR-2. Officials-in-Charge are reminded that the analysis of our customer and stakeholder inputs at Quality Council meetings will continue with emphasis on appropriate recommendations for improving customer satisfaction. The purpose of the analysis is for the Council to determine if corrective or preventive actions are necessary to address any issues.

The ISO 9001 Program Office will contact the appropriate codes to assist each office in developing the information for the October 29, meeting. Questions should be directed to Ms. Marcietta Washington, Acting Director of the ISO 9001 Program Office, at 358-4427, <[marcietta.s.washington@nasa.gov](mailto:marcietta.s.washington@nasa.gov)>.

Marcietta S. Washington

Enclosure

Concurrence:

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Michael B. Mann  
Headquarters ISO 9001 Executive  
Management Representative

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Jeffrey E. Sutton  
Assistant Administrator for  
Management Systems

Approval:

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Frederick D. Gregory  
Deputy Administrator

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Date

Officials-in-Charge of Headquarters Offices:

AD/Mr. Gregory

AA/Mr. Schumacher

ADI/Mr. Jennings

ADT/Dr. Greenfield

AE/Mr. Bradley

AF/Vacant

AG/Mr. Ciganer

AM/Dr. Williams

AO/Ms. Dunnington

AS/Dr. Lucid

B/Vacant

C/Mr. Frelk

E/Dr. Hayden-Watkins

F/Ms. Novak

G/Mr. Pastorek

H/Mr. Luedtke

I/Mr. O'Brien (Acting)

J/Mr. Sutton

K/Mr. Thomas

L/Mr. Horner

M/Mr. Readdy

N/Dr. Loston

P/Mr. Mahone

Q/Mr. O'Connor

R/Dr. Lebacqz (Acting)

S/Dr. Weiler

U/Ms. Kicza

W/Mr. Cobb

X/Mr. Saleeba

Y/Dr. Asrar

cc: (w/o Encl.)  
A/Ms. Whewell  
ADI/Ms. Soper  
AE/Mr. Weinstein  
AM/Dr. Shepanek  
AO/Mr. Radosevich  
AS/Ms. Montrose  
B/Ms. Brown  
B/Mr. Mann  
BFZ/Mr. Denwiddie  
BR/Dr. Beck  
BR/Ms. Wirsing  
BX/Mr. Comstock  
BX/Mr. Schurr  
CF/Mr. Clement  
CIC/Ms. Grimes  
E/Mr. Gonzales  
EC/Mr. Starnes  
F/Ms. Saric  
GK/Ms. Drinkard  
HC/Ms. Guenther  
HC/Mr. Walker  
I/Ms. Geisz  
J/Ms. Dominguez  
JI/Mr. Kovach  
JI/Mr. Thomas  
JI/Ms. Verbeck  
JI/Ms. Washington  
JM/Dr. Tynan  
JM/Mr. Werner  
K/Mr. Diamond  
LB/Mr. Stehmer  
M/Ms. Cline  
M/Mr. Fishkind  
QS/Mr. Lyver  
RS/Ms. Humphrey  
S/Dr. Allen  
SD/Mr. Albright  
UM/Dr. Gavert  
YB/Ms. Santa  
X/Mr. Piasecky  
ARC/Mr. Finger  
ARC/Mr. Serrano  
ARC/Mr. Zornetzer

**Headquarters Quality Council Member Attendees  
May 14, 2003**

<u>Name</u>	<u>Title/Organization</u>
Frederick Gregory	Deputy Administrator Official-in-Charge, Headquarters Quality Management System
Courtney Stadd	Chief of Staff
James Jennings	Associate Deputy Administrator for Institutions and Asset Management
Shannon Lucid	Chief Scientist
Michael Mann	Director, Integrated Financial Management Program Office of the Chief Financial Officer, and Headquarters Quality Management System Executive Management Representative
Jack Blair	Representing Gwendolyn Brown Deputy Chief Financial Officer for Financial Management
James Frelk	Director, Office of Headquarters Operations
Carol Saric	Representing Vicki Novak Assistant Administrator Office of Human Resources and Education
Thomas Luedtke	Assistant Administrator Office of Procurement
Jeffrey Sutton	Assistant Administrator Office of Management Systems
Karl Stehmer	Representing Charles Horner Assistant Administrator Office of Legislative Affairs
Lynn Cline	Deputy Associate Administrator Office of Space Flight
Angela Diaz	Deputy Assistant Administrator Office of Education

Enclosure

James Lloyd	Representing Brian O'Connor Associate Administrator Office of Safety and Mission Assurance
Jay Henn	Representing Jeremiah Creedon Associate Administrator Office of Aerospace Technology
Christopher Scolese	Deputy Associate Administrator Office of Space Science
Kristen Erickson	Acting Deputy Associate Administrator Office of Biological and Physical Research
Michael Luther	Deputy Associate Administrator Office of Earth Science

bcc:

J/Reading File

Jl/Official File

Jl/Ms. Washington

Jl/Reading File

Jl/Washington:dfb:C/QCMintuesMay14/Memo doc:07/14/03: retype 07/29/03:358-4607